

## Article - Health - General

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§19–214.2.

(a) Each hospital shall submit to the Commission, at times prescribed by the Commission, the hospital's policy on the collection of debts owed by patients.

(b) The policy shall:

(1) Provide for active oversight by the hospital of any contract for collection of debts on behalf of the hospital;

(2) Prohibit the hospital from selling any debt;

(3) Prohibit the charging of interest on bills incurred by self-pay patients before a court judgment is obtained;

(4) Describe in detail the consideration by the hospital of patient income, assets, and other criteria;

(5) Describe the hospital's procedures for collecting a debt;

(6) Describe the circumstances in which the hospital will seek a judgment against a patient;

(7) In accordance with subsection (c) of this section, provide for a refund of amounts collected from a patient or the guarantor of a patient who was later found to be eligible for free care on the date of service;

(8) If the hospital has obtained a judgment against or reported adverse information to a consumer reporting agency about a patient who later was found to be eligible for free care on the date of the service for which the judgment was awarded or the adverse information was reported, require the hospital to seek to vacate the judgment or strike the adverse information; and

(9) Provide a mechanism for a patient to:

(i) Request the hospital to reconsider the denial of free or reduced-cost care; and

(ii) File with the hospital a complaint against the hospital or an outside collection agency used by the hospital regarding the handling of the patient's bill.

(c) (1) Beginning October 1, 2010, a hospital shall provide for a refund of amounts exceeding \$25 collected from a patient or the guarantor of a patient who, within a 2-year period after the date of service, was found to be eligible for free care on the date of service.

(2) A hospital may reduce the 2-year period under paragraph (1) of this subsection to no less than 30 days after the date the hospital requests information from a patient, or the guarantor of a patient, to determine the patient's eligibility for free care at the time of service, if the hospital documents the lack of cooperation of the patient or the guarantor of a patient in providing the requested information.

(3) If a patient is enrolled in a means-tested government health care plan that requires the patient to pay out-of-pocket for hospital services, a hospital's refund policy shall provide for a refund that complies with the terms of the patient's plan.

(d) (1) For at least 120 days after issuing an initial patient bill, a hospital may not report adverse information about a patient to a consumer reporting agency or commence civil action against a patient for nonpayment unless the hospital documents the lack of cooperation of the patient or the guarantor of the patient in providing information needed to determine the patient's obligation with regard to the hospital bill.

(2) A hospital shall report the fulfillment of a patient's payment obligation within 60 days after the obligation is fulfilled to any consumer reporting agency to which the hospital had reported adverse information about the patient.

(e) (1) A hospital may not force the sale or foreclosure of a patient's primary residence to collect a debt owed on a hospital bill.

(2) If a hospital holds a lien on a patient's primary residence, the hospital may maintain its position as a secured creditor with respect to other creditors to whom the patient may owe a debt.

(f) If a hospital delegates collection activity to an outside collection agency, the hospital shall:

(1) Specify the collection activity to be performed by the outside collection agency through an explicit authorization or contract;

(2) Require the outside collection agency to abide by the hospital's credit and collection policy;

(3) Specify procedures the outside collection agency must follow if a patient appears to qualify for financial assistance; and

(4) Require the outside collection agency to:

(i) In accordance with the hospital's policy, provide a mechanism for a patient to file with the hospital a complaint against the hospital or the outside collection agency regarding the handling of the patient's bill; and

(ii) Forward the complaint to the hospital if a patient files a complaint with the collection agency.

(g) (1) The board of directors of each hospital shall review and approve the financial assistance and debt collection policies of the hospital at least every 2 years.

(2) A hospital may not alter its financial assistance or debt collection policies without approval by the board of directors.

(h) The Commission shall review each hospital's implementation of and compliance with the hospital's policies and the requirements of this section.

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